

MATANUSKA TELEPHONE ASSOCIATION, INC.
ANNUAL MEETING OF THE MEMBERSHIP
RAVEN HALL, ALASKA STATE FAIRGROUNDS
PALMER, ALASKA
JUNE 5, 2019

The 63rd Annual Meeting of the membership of Matanuska Telephone Association, Inc. was called to order by Chief Governance Officer Catherine Fosselman, at 7:00 p.m., on June 5, 2019, at Raven Hall, Alaska State Fairgrounds in Palmer, Alaska.

CGO Fosselman welcomed members and other guests and invited the audience to rise for the singing of the National Anthem performed by Benjamin Sherburne.

Registrar Clay Hightower, from the CPA firm of Sramek Hightower, provided the Certification of a Quorum. Mr. Hightower reported that registration closed at 7:00 p.m., and a quorum was established with 125 members in attendance as of 7:00 p.m.

Board Secretary Roxie Mayberry read the Official 2019 Annual Meeting Notice into the record.

Board Secretary Roxie Mayberry reported that per Bylaw Article XI, Section 4, MTA is required by its lender, as well as the MTA Bylaws, to undergo an annual audit of its financial records. The audit must be conducted by a qualified independent CPA firm. MTA retained Moss Adams, LLC, an independent firm who specializes in the telecommunications industry, as well as telephone cooperatives, to review its books of record, as of December 31, 2018. The firm is required to report its findings directly to the MTA Board of Directors and did so on May 15, 2019, at the public Board meeting. Moss Adams provided a clean audit report and noted no material misstatements or internal control deficiencies. In addition, MTA is also required to have an audit of its two ERISA qualified retirement plans on an annual basis. MTA retained the independent audit firm of Moss Adams to conduct the audits of its 401K/Defined Contribution Plans as of December 31, 2018. Because of timing of reporting of census data as prescribed within the actuarial industry, defined benefit and defined contribution audits are conducted during the summer and fall of the succeeding year. As such, these audits are scheduled for completion in August 2019. MTA has never had a deficiency of any kind noted by the CPA firm for any of its retirement plans.

Board Secretary Roxie Mayberry reported that she certified, pursuant to MTA Bylaws Article VI, Section 5(g), based on the information provided to the MTA Board of Directors under MTA Board Governance Policy Executive Limitation 1.8, the MTA CEO remuneration, including the value of benefits, for the year ending December 31, 2018 was \$549,999.83.

CGO Fosselman introduced the head table. In attendance were: Nicholas Begich, Board Director; Thomas Newman, Board Director; Roxie Mayberry, Board Secretary; Ken Kincaid, Board Director, Michael Burke, MTA Chief Executive Officer; Andy Leman, Legal Counsel and Parliamentarian; Tracy Ressler, Senior Executive Assistant; and herself, Catherine Fosselman, Chief Governance Officer of the MTA Board of Directors.

CGO Fosselman entertained a motion to approve and dispense with the Reading of the Minutes of the 2018 Annual Membership Meeting held on June 6, 2018. Motion duly made, seconded, to dispense with the reading of the Minutes and approve them as presented. Motion carried.

CGO Fosselman thanked the Nominating Committee Members: Tammy Bruce, Gary Hessmer, Merry Braham, Randi Perlman, and Craig Thorn, Committee Chair, who was present at the meeting to present the Nominating Committee's report.

Mr. Craig Thorn gave the Nominating Committee Report and explained the process for applying for candidacy and requirements accordingly. He reported that the Committee had received two applications. After careful review, the Committee unanimously voted to recommend to the membership both of the applicant's names for placement on the ballot for the 2019 annual election to run for the MTA Board of Directors. The names of those candidates were Nicholas Begich and Thomas S. Newman.

CGO Fosselman introduced the following aforementioned board candidates and each candidate had three minutes to address the membership.

CGO Fosselman thanked the Election Committee Members: Judy Crosby, Maraley McMichael and Marcia Harlamert.

Registrar Clay Hightower, from the firm Sramek Hightower, read the election rules and voting procedures. The number of members as of the date of record, April 3, 2019, was 29,891. Election packets were mailed through the U.S. Postal Service on May 2, 2019 to all members of record. The last pickup of mail ballots from the Palmer Post Office was at 5:00 p.m. on Tuesday, June 4, 2019. By the close of balloting, 2,503 ballot envelopes and web votes had been received by the election contractor. This represents approximately 8% of eligible members.

CGO Fosselman called for ballots three times, and then announced closing of the ballots.

CGO Fosselman presented her Chief Governance Officer's Report to the Members. She started out by stating that this was her last year of service, as MTA has term limits and she is starting the last year of her final term. She thanked the membership for allowing her to be a part of one of the largest technology cooperatives in the United States, at this pivotal time in the evolution of telecommunications in Alaska. She commented on the exceptional board directors that MTA has attracted, excelling in their professions and service to the community.

CGO Fosselman discussed how MTA's projects and initiatives align with its mission statement. She discussed MTA's recent groundbreaking project, AICan ONE, the first all-terrestrial fiber network from Alaska to the Lower 48. She explained that this project supported many local jobs and ensured that MTA will be able to deliver enough bandwidth to satisfy the needs of its members well into the future. CGO Fosselman also highlighted other various projects and service offerings that MTA brought to the market over the last year.

CEO Michael Burke presented his Chief Executive Officer's Report. He further explained MTA's AICan ONE project and its potential impact to our community and the entire state in supporting economic development. CEO Burke thanked all MTA employees for their hard work over the past year.

CGO Fosselman called for any Unfinished Business. There was none.

CGO Fosselman called for any New Business. She discussed new business related to scholarships. MTA is proud to offer scholarship opportunities through the MTA Foundation, as well as sponsor opportunities through the Alaska Telecom Association and the Foundation for Rural Service. The MTA Foundation Scholarship program is designed to encourage individuals to pursue a variety of educational goals - not only for first-time college students, but also returning students, students participating in a vocational/technical program or homeschool program, or students pursuing professional development that leads to a degree or certification. CGO Fosselman recognized the recipients of the 2019 scholarship awards and extended congratulations on behalf of the entire Board to all of the scholarship winners. CGO Fosselman thanked the Scholarship Review Committee: Stacie Stigar, Emily Forstner and Brenda Shelden for their many volunteer hours reviewing scholarship applications.

CGO Fosselman asked if there were any members that wished to address the membership. The following member comments were made:

- Member Scorup recently converted to streaming, which she described as a daunting technology, but a technician came onsite, set everything up for her and patiently explained how to use it. She was grateful for the help and the support.
- Member Sandvik inquired about retiring capital credits for senior citizens. He called for a motion from the floor to retire capital credits for senior citizens.

Mr. Andy Leman, legal counsel for the Board, explained that the issue with retiring capital credits based on age is that it discriminates amongst the members. There may be a member who is a senior citizen who has only been a member for a few years and then there may be someone younger who has been a member for 20 years. Mr. Leman stated that decisions about capital credits and when and how to retire them are vested in the Board of Directors, which is one of the things the Board is elected to do. If you [Member Sandvik] would like to make a motion for the Board to look at the issue of retiring capital credits or doing something to help senior citizens, that would be in order, but something that would force the Board to do that, would not.

CEO Burke and CGO Fosselman further explained how estate capital credits are retired. Member Sandvik responded that he would appreciate the Board looking into retiring capital credits so longtime members could benefit from their support of the co-op.

Registrar Clay Hightower announced Sarah and Matthew Nelson as the winners of the \$500 Early Voter Drawing.

The drawing for door prizes took place and prizes were awarded to the members whose names were drawn and who were in attendance.

Registrar Clay Hightower reported the following Official Election Results. At the Call for Ballots during the meeting earlier, 61 ballots were issued and 55 were cast. Therefore, including mail, online and in-person voting, a total of 2,564 ballots were cast in this year's election. The results were as follows:

Proposed Amendments to the MTA Bylaws:

Proposition #1: Formula for Board Member Fees

Vote Count – 1,539 Yes / 972 No

Proposition passes.

Board of Director Candidates:

Nicholas Begich 2,117 votes

Thomas Newman 2,283 votes

Therefore, Mr. Newman, with the highest number of votes, received a three-year seat on the Board; and Mr. Begich, with the second highest number of votes, received a two-year seat on the Board.

With no further business, the meeting was adjourned at 7:58 p.m.

Approved by the Matanuska Telephone Association, Incorporated membership at the 2021 Annual Membership Meeting held on June 2, 2021.

ATTEST: _____
Secretary/Treasurer

ATTEST: _____
CGO